



## Developing Competencies for a Global Workforce

By Janet Grogan, EquaTerra

**D**eveloping employee and leadership competencies that support a company's mission, vision, and values ensures high quality organizational learning and development. However, establishing these competencies for a global workforce is more complex. For many U.S.-based firms, the development of competencies has been first defined and managed within the U.S. and then expanded globally via such programs as performance management, managerial development or succession planning. Often missing is in-depth discussion about the applicability of U.S.-developed competencies to a global workforce where core competencies are understood through a different cultural lens.

As a company expands its footprint globally or operates businesses in a global environment, it wants to be able to leverage its investment by developing and institutionalizing core competencies. Yet, the very nature of a global workforce constrains the development of a single set of competencies. Cultural differences filter how terminology is understood and how behavior is adopted, all of which affect development of standardized core competencies.

Much recent attention in managing a global business has focused on developing leadership qualities that would result in success. The ability to interact effectively with people of different cultures is commonly addressed in leadership development programs or through expatriate assignments. But the actual competencies necessary for successful management of a global workforce are not well understood. Oftentimes companies do not know what competencies to focus on in different countries and cultures. Instead, they tend to assume diverse assignments with cross-cultural experiences will result in better understanding and appropriate skills. As a company moves to viewing its business as world-wide, not just regional, this gap – full leadership understanding of different cultural practices and the associated cross-cultural skills required to support management – will emerge as critical in successful global management.

Equally important is performance management and development of an employee population in a global organization. Too often, employee competencies important to organizational success are identified in the U.S. but *defined* as relevant and achievable by employees everywhere. This may not be the case. Global performance

needs to be based on identification, definition, and implementation of competencies that are germane to the entire employee population.

### So How are Global Competencies Identified?

Developing global competencies initially should follow the best practice approach to general competency development. That means first identifying the objectives of the developmental program itself. All competency objectives address issues of organizational consistency. Program design and communication require some level of standardization to be effective and ensure the ability to measure success. Yet, regional or cultural variations that identify and define a competency in action diminish the ability to meet this requirement. An overly standardized approach tends to be more centric to the geography or geographies tasked with developing the model. If organizational consistency is primarily U.S. defined, a range of reactions can result within the global organization, from misunderstanding of the intended messaging to confusion about how to adopt it. Organizations need to view global consistency differently. Consistency may not mean using the same terms (even in translation) or the same definitions for competency attributes. Instead, it may mean defining core dimensions that represent success across the organization but work regionally and are defined as locally relevant. The observable behavioral indicators may be defined from many perspectives, offering distinct definitions targeted for different cultures or business applications.

The second step in developing global competencies is to conduct a detailed global assessment of the current state relative to the long-term business objectives that includes the following questions: Which parts of the organization are successful, and what underlying knowledge areas and skills support that success? What factors are considered most important to achieve desired results, and how do these differ among locations but also among businesses within the company? How do these success factors align with the corporate values and goals? When this current state analysis is validated with leaders across the organization representing different business lines and cultures, it serves as the foundation for developing the underlying competency framework.

The third step examines assessment results, finding common themes that underlie success. Critical here is global involvement and representation in the analysis since similar themes can result in varying interpretations about underlying performance indicators. Too often competency programs have been designed assuming the developmental requirements defined in one region are applicable throughout the company footprint. Several

problems emerge with this assumption. Most obvious are culture and language differences. Managerial styles and employee skills vary across cultures. For example, U.S. competencies are often viewed as existing skills or knowledge the employee brings to the organization (or tasks) that lead to successful performance. Other cultures, however, view competencies as the result of actions on the part of the employee to meet or exceed standards once in the organization. Similarly, language affects the reaction to the defined competency or even interpretation of it, just as language filters how competency is defined or operationalized in observable behaviors leading to successful performance. The definitional focus needs to remain on attributes such as observable actions, reactions, and verbal responses since misunderstandings and cultural resistance more often relate to competencies defined in terms of attitudes or personality traits.

All these issues can be addressed first by ensuring multi-location participation during competency development to normalize the concepts and terms used locally that will describe the underlying competency constructs, behavioral examples or performance standards. Testing the competency framework across the company further helps identify commonalities of concept, which then can be translated into a core set of competencies. This involvement shows how sharing of valuable insights in different parts of the organization can bring various approaches to support the same business goals. When regions are allowed to add attributes that represent success locally, the program is more likely to have both personal and corporate relevance.

Also important is testing the model against the types of knowledge and skills required to meet short- and long-term business objectives. These requirements may legitimately vary across the organization, based on the type of work or business supported by a separate organizational group. Since these differences may not be regional, but instead divisional or product-related, developing competency models for a global organization means each competency may also be defined from additional perspectives including business, product line, and local corporate culture, e.g., acquired companies.

Once the framework (basically a set of attributes) has been defined, consideration needs to be paid to implementation on a global basis. The Western-centric view assumes that the driver of employee engagement in the development process is the manager's willingness and ability to involve the employee in identification of improvement areas and development options. But this assumption is clearly not applicable to all cultures, underscoring the need to continue engaging representation from the entire workforce in program design beyond the level of competency development.

Ultimately, competency models are management tools. So managers need to understand how to accurately observe, diagnose, and target behaviors for further devel-

opment. To do this, they must be aware of the type of behaviors that illustrate each competency for the specific employee population they are addressing. That means managers must be able to distinguish between observed behaviors and their own cultural opinions, judgments and generalizations.

The initial implementation of a competency-based development program is typically managed as a project with associated policies, communication plans, program tools, processes and procedures. Once implemented, the program needs to be easily integrated into new areas as the business expands either through growth or acquisitions/mergers. A model developed with an eye to global relevance is more easily assimilated into new areas. It is also a model that embeds procedures for confirming applicability in new regions and for identifying any local distinctions. As areas are integrated into the business, competencies also need to be re-tested for the new population and can follow an abbreviated approach where the model is confirmed or amended by members of the new group.

Competencies are relevant to the extent that they communicate to the employee what is valuable to his or her ultimate success in the organization. These success factors must make sense to employees at all levels, both in terms of how they relate to the business goals, as well as how achievable they are, given the employee's cultural background. Communicating to the employee what is important to his or her success and having those skills appear achievable increases the ability to move from the concepts in performance categories to concrete focus areas for ongoing skill acquisition.

Individuals desiring success will seek ways to improve their personal knowledge and skills whether or not they intend to advance hierarchically. Thus, a final review of competencies must ensure they are applicable to a global workforce at all levels of the organization regardless of whether the employee's own role is a global one. Of course, culture is an influence here. But other influences such as legislation, unions, work councils, local customs, and type of work roles also determine how employees view the relevance of competency development to their careers. All need to be considered in developing the competency program model.

## Summary

As companies increasingly operate on a global basis, they examine identification of knowledge and skills that are key to business success as applicable across the organization. Specifically, companies are moving from a focus on developing the ability merely to manage a global workforce toward identification of more inclusive performance competencies that can be developed within a global workforce. With some additional factors considered, the existing methodology for competency development can be

*Continued on page 46*

7. We all like color and pictures, which makes it fun.

We should be steering our organizations to understand how SN can be utilized for success of the company and its employees. After all, the employees are already using the technology, so why not go find them where they are.

### About the Author



Nancy K. Grimshaw is a career HR professional, starting out as a recruiter in the nuclear power industry and continuing through her current role as senior consultant for CedarCrestone, Inc. Along the way, she was a PeopleSoft HCM project team member and end user during most of the 12

years she worked in Human Resources at University of Maryland Baltimore. Today, Grimshaw specializes in change management and training for technology projects of all sizes and types. She holds a B.A. from Washington College and an M.S. in Management from University of Maryland University College. As a member of WorldatWork, she achieved the distinction of Certified Compensation Professional (CCP) and has been an author and peer reviewer for its journal *Workspan*. She loves being in her hometown of Annapolis, though she states her favorite thing about the influence of the Internet on HR is the ability to work without walls, as she did recently on a stay in the Sierra foothills and Lake Tahoe. She can be reached at [nancy.grimshaw@CedarCrestone.com](mailto:nancy.grimshaw@CedarCrestone.com).

## Global HR

*Continued from page 43*

adapted to creation of relevant global competencies. Obvious issues such as culture and language need to be considered. Additional factors such as need for consistency and relevance to the employee population are also important. Beginning with a detailed assessment of what underlying skills and knowledge result in current state success is necessary both to design the future state model, as well as to create appropriate plans for communication and implementation. Ensuring representation among relevant constituencies in competency model development and attribute definition ensures adoption and the desired performance improvement. Even when the underlying dimensions of competency are consistent on a global basis, the way they are described and defined most likely will need to vary to ensure relevancy in a specific geography or business application.

### About the Author

Janet Grogan is a senior advisor in the Human Resources practice at EquaTerra. EquaTerra supports clients in their HR transformation and outsourcing efforts. Her background includes experience ranging from managing in-company HR operational functions to developing solutions for HR outsourcing. She has been working in advisory services for over five years. Her background includes building HR organizations and transforming HR functions through outsourcing, technology implementations and internal redesign. Her previous positions in HR management include leadership positions in a variety of HR functional areas such as performance management and organizational development, recruiting, employee data management and workforce analytics. She has a Ph.D. in Industrial/Organizational Psychology. She can be reached at [Janet.Grogan@equaterra.com](mailto:Janet.Grogan@equaterra.com).



## Advertising Partners

Advertiser – Web Site	Page
Ceridian – <a href="http://www.ceridian.com">www.ceridian.com</a>	IFC
Decusoft – <a href="http://www.decusoft.com">www.decusoft.com</a>	19
FutureStep – <a href="http://www.futurestep.com">www.futurestep.com</a>	27
PDS (Vista HRMS) – <a href="http://www.pdssoftware.com">www.pdssoftware.com</a>	7
Peopleserv, Inc. – <a href="http://www.peopleserv.com">www.peopleserv.com</a>	23
Perquest – <a href="http://www.perquest.com">www.perquest.com</a>	IBC
SigmaHR – <a href="http://www.sigma-hr.com">www.sigma-hr.com</a>	BC
Workday – <a href="http://www.workday.com">www.workday.com</a>	3